



ECOLOGY BUDGET AT A GLANCE: 2007-2009 PROPOSAL

Securing Washington's quality of life and a healthy economy for our families and our children

The bottom line of Gov. Gregoire's proposed budget for Ecology in 2007-09 is:

- Securing Washington's quality of life for Washington families.
- Securing our unique competitive advantage in the global economy.

She focuses on strategic investments in achieving tangible, meaningful results for Washington's people, communities, businesses, and the next generation – our children.

To compete successfully, we need clean water, air, and soil. We need healthy people, communities, and workplaces. We also need adequate natural resources – including water – to sustain growing communities, economic output, transportation, and our workforce.

Without these things, our children cannot have the quality of life that has defined what it means to be a Washingtonian.

One of Washington's unique advantages in the global economy is our reputation as a clean, green place in the world.

When the President of China visited in the spring of 2006, he specifically noted the natural beauty and amenities of our state. He was impressed that we have achieved economic prosperity and yet maintained a very high-quality environment.

Threats to Washington's "clean, green" reputation

Washington's reputation is well-deserved, but our natural environment is under tremendous pressure. This threatens our quality of life and our competitive edge in the economy.

Since the Department of Ecology was created in 1970, we've achieved major improvements in Washington's air, land, and water.

Air is cleaner, industrial and municipal water pollution has been greatly reduced, we generate half the hazardous waste we did 20 years ago, landfills have been modernized, recycling is now widely

Mt. Shuksan

embraced, large oil spills are rare, and thousands of contaminated sites have been cleaned up.

But the pressure on our environment is growing rapidly. Since 1970, our population has nearly doubled. We are adding the equivalent of a Tacoma-size city every two or three years. These new people are a great asset to Washington in so many ways, but there are twice as many of us depending on a finite base of land, air and water – and generating more toxic substances used in industrial and commercial process and many consumer products. These pressures threaten the state's people, economic stability, and quality of life.

Why it matters:

Washington's environment, by the numbers

The importance of Washington's natural environment – the awe-inspiring geography and topography that we all call home – is far more than dollars and cents.

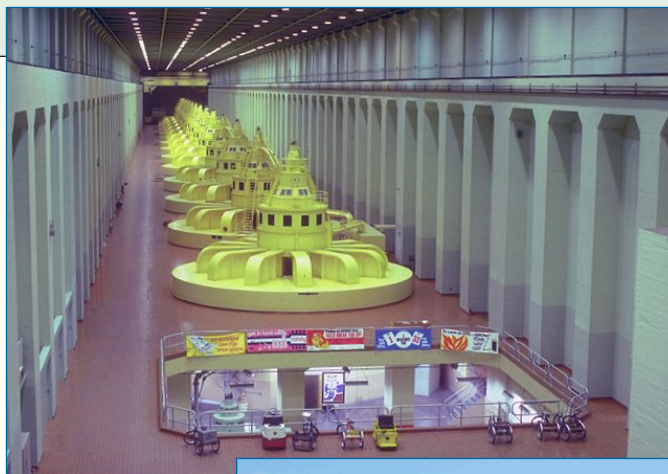
However, in the context of the state's two-year budget-building process, here are a few numbers that illustrate how the Governor's proposed budget is good for families, good for business, and good for our quality of life:

- **Water for irrigation in eastern Washington generates about \$3 billion** in agricultural product sales in a year.
- **Fish that are dependent on Washington's freshwater add more than \$1 billion** to the economy per year.
- **Water passing through hydropower dams creates energy** worth more than \$3 billion per year.
- **Puget Sound drives \$20 billion per year** in economic activity – jobs, trade, recreation, tourism, fishing, boating, etc.

Four strategic priorities *to secure a healthy future and a healthy economy*

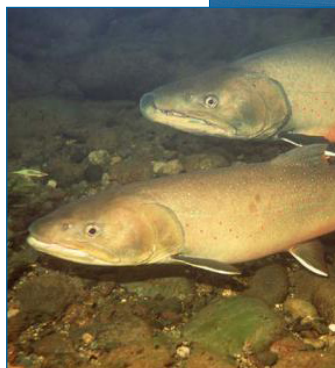
The Governor's proposed 2007-09 budget for Ecology is aimed at four strategic priorities to secure our quality of life, and our competitive edge in the global economy:

- **Successfully manage our water to make sure there will be enough for people, farms and salmon.**
- **Protect and restore Puget Sound by 2020.**
- **Reduce toxic threats, with special concern for infants and children.**
- **Sustain Washington's critical habitats through environmental mitigation that works.**



Turbines at McNary Dam on the Columbia River. Water passing through hydropower dams creates energy worth more than \$3 billion per year.

Puget Sound generates \$20 billion per year in economic activity.



Fish that are dependent on Washington's fresh water add more than \$1 billion to the economy per year.

Highlights of the proposed 2007-09 Ecology operating & capital budget

The Governor's proposal for 2007-09 Budget builds on the momentum of the 2006 Supplemental Budget by advancing efforts to protect and restore Puget Sound; address water availability in the Columbia River basin; accelerate toxics cleanup and prevention work; and cleanup the Hanford Reservation. At the same time, the 2007-09 budget request maintains critically important ongoing statewide investments in water quality and quantity, toxics cleanup, hazardous and solid waste prevention and management, air quality, spill prevention, shorelands management, and environmental monitoring.

The total proposed Operating Budget is \$467.3 million; \$62.7 million is for new or expanded activities. And of that, \$48.7 million is requested from dedicated accounts and \$14 million from the State General Fund.

The total proposed Capital Budget is \$410.8 million: nearly half continues long-term investments in local water quality and water quantity projects. The other half expands upon the Puget Sound and Columbia River Basin initiatives; accelerates toxics cleanup and prevention work; and implements watershed plans and stormwater projects. The Capital Budget request includes \$349.8 million from dedicated accounts and \$61 million from the State Building Construction Account.

The majority of Ecology's funding is from dedicated revenues for specific environmental purposes. For the 2005-07 biennium, the State and Local Toxics Control Accounts have grown, largely due to increased oil prices. However, in the long term, the Department of Revenue projects oil prices to flatten out and forecasts a slight drop for both accounts in 2007-09. Given the historic volatility of the funds and the flattening of projections for 2007-09, Ecology's budget focuses on accelerating project work that can be scaled up or down to respond to available revenue.

Three of Ecology's four strategic priorities – Successfully Managing Water / Reducing Toxic Threats / Environmental Mitigation that Works - are statewide initiatives that overlap to various degrees the work of Restoring Puget Sound and Hood Canal.

Budget Highlights New investments for 2007-2009

Successfully manage water for people, farms and salmon

Operating	\$9,263
Capital	\$242,894

Protect and Restore Puget Sound

Operating	\$19,389
Capital	\$73,860

Reduce toxic threats

Operating	\$11,440
Capital	\$131,645

Regional Haze Reduction Program

Operating	\$712
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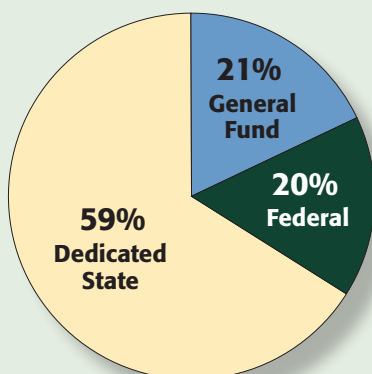
Environmental mitigation

Operating	\$1,927
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Totals add up to more than total budget request because portions of items are also in larger, statewide Toxic and Water requests

07-09 Ecology Operating Budget

% Funding By Source



79% of funds are
Dedicated State & Federal

The Columbia River Basin water supply initiative, resulting from legislation in 2006, will allow access to water resources while helping to restore endangered salmon and other species.



Strategic priority:

Successfully manage our water for people, farms and salmon

Historically, Washington has enjoyed an abundance of clean, inexpensive water. But water availability can no longer be taken for granted. We increasingly lack water where and when it is needed for people, farms and our salmon.

The competition for water is intensifying as demand increases for out-of-stream use by people, business, and farmers and for in-stream uses for fish, wildlife habitat, and recreation. Many of these same demands increase the pressure on the state's water quality. Changes in the state's climate are adding to this competition.

In response, the Governor's proposed Ecology budget continues to build on successful wastewater treatment investments and water quality compliance work; supports high-priority local watershed plan implementation; takes the next steps toward implementation of the Columbia River Basin water supply initiative; accelerates in-stream flow setting and achievement; supports stormwater projects in non-Puget Sound parts of the state; and implements construction stormwater permitting.

Irrigation contributes to about \$3 billion in agricultural products sales per year in Eastern Washington

MANAGING WATER BUDGET

OPERATING	GFS	Other	Total
Implem. Local Watershed Plan	2,000	-	2,000
Reclaimed Water Rule-Making*	-	246	246
Setting - Achieve Instream Flows	-	630	630
Construction Stormwater Permits*	-	751	751
Implementing Water Cleanup Plans	-	1,622	1,622
Protect Spokane Water Rights	-	595	595
Wastewater Permit Enhancements	-	795	795
Well Construction & License Sys.	-	650	650
Hydropower Licensing/Gauging	-	1,257	1,257
Water Right Database Enhance.	-	300	300
Chamokane Basin Study	417	-	417
TOTAL OPERATING	2,417	6,846	9,263
CAPITAL	SBCA	Other	Total
Watershed Plan Implem & Flow Set	12,000	-	12,000
Columbia River Basin Water Supply	-	34,500	34,500
Centennial Clean Water Program	23,800	20,800	44,600
Water Pollution Control Revol Acct.	-	140,000	140,000
Water Irrigation Efficiencies	3,000	-	3,000
Sunnyside Valley Irr Dist Conserve	2,544	-	2,544
Yakima River Basin Water Storage	3,250	-	3,250
Stormwater Projects (non-Puget S)	-	3,000	3,000
TOTAL CAPITAL	44,594	198,300	242,894
TOTAL WATER OP. & CAPITAL			252,157

* Indicates a portion of this item is also included in Puget Sound Restoration and Protection



**Salmon
rely on
abundant,
clean, cold
water.**



Strategic priority: Protect and Restore Puget Sound

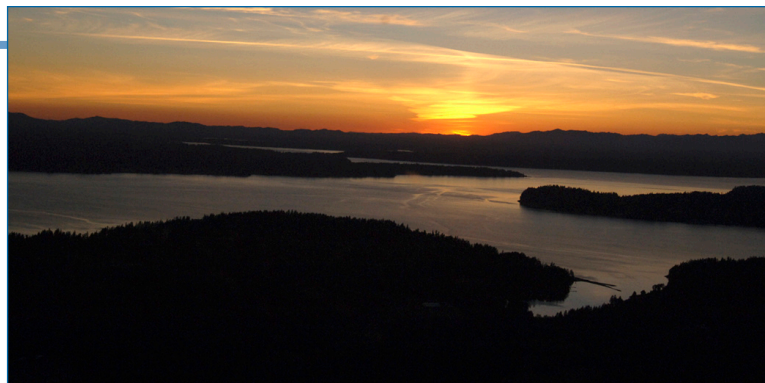
Beneath the seemingly beautiful blue-green waters, Puget Sound and Hood Canal are not healthy. Many critical species in the water and near the shore are declining. The Governor's proposed budget brings new focus and energy to restoring the health of Puget Sound and Hood Canal.

The Puget Sound ecosystem is threatened by many factors including pollution, development, invasive species, and climate change. Many important species such as orca, salmon, and marine birds are threatened or in decline.

Yet Puget Sound remains critical to our economy and way of life. It drives \$20 billion per year in economic activity – jobs, trade, recreation, tourism, fishing, shellfish harvest, boating and many other activities.

There is a window of opportunity to restore and sustain its health. Governor Gregoire's budget responds to the recommendations of the Puget Sound Partnership by bringing new focus and energy to restoring the health of Puget Sound and Hood Canal.

The Governor's proposed Ecology budget continues and expands on the initiatives begun in the 2006 Supplemental Budget, including accelerating toxics cleanups on state owned aquatic lands and orphaned



Puget Sound at sunset

Photo courtesy Weldon Wilson

and abandoned sites upland; initiating a public-private on-site septic replacement project in Hood Canal; providing toxic prevention technical assistance through local governments to citizens and small businesses; enhancing monitoring to provide better data for decision mak-

ing; stepping up efforts to clean up and protect urban waters in Puget Sound; advancing reclaimed water use; advancing environmental compliance; and working collaboratively with local governments to implement stormwater permits and low impact development projects.

PUGET SOUND BUDGET

OPERATING	GFS	Other	Total
Urban Waters Cleanup/Protection*	-	1,713	1,713
Water Quality Monitor Consortium	-	800	800
Puget Sound Pollutant Modeling	-	446	446
Safer Chemical Alternatives*	-	400	400
Reclaimed Water Rule Making*	-	245	245
Construction Stormwater Permits*	-	280	280
Local Gov. Stormwater Grants	-	7,000	7,000
Public Participation Grants*	-	750	750
Achieving Environ. Compliance	2,000	-	2,000
Puget Sound Local Source Control	-	2,026	2,026
Improve Project Mitigation*	1,285	-	1,285
TOTAL STATE OPERATING	3,285	13,660	16,945
Federal Stormwater Grants	-	2,000	2,000
Federal PS Pollutant Modeling	-	444	444
TOTAL STATE & FEDERAL OPER.	3,285	16,104	19,389
CAPITAL	SBCA	Other	Total
Puget Sound Cleanup - Aquatic	-	5,905	5,905
Puget Sound Cleanup - Upland	-	4,705	4,705
On-Site Septic Replacement Prog.	-	3,000	3,000
Stormwater & LID Projects	9,170	5,000	14,170
Reclaimed Water Projects	4,830	1,250	6,080
Remedial Action Grant Program	-	40,000	40,000
TOTAL CAPITAL	14,000	59,860	73,860
TOTAL PUGET SOUND OP. & CAPITAL			93,249

* Indicates the Puget Sound portion of a larger, statewide program included in Water or Toxic budget requests.



A view of Puget Sound from the Tacoma Narrows

Photo courtesy Weldon Wilson

Strategic priority:

Reduce toxic threats, with special concern for infants and children

Businesses have significantly reduced the amount of toxic chemicals they generate and dispose of in Washington, but toxic substances are still rapidly accumulating in our homes, offices, and the natural environment. Unfortunately, some of these toxins concentrate in our bodies.

The more we learn about toxic chemicals, the more we realize they are everywhere - in our air, our water, and our soil - in the products we buy and use at home and at work. There are about 80,000 chemicals in use in the U.S. today, and while many of them have added to our quality of life, the effects on our health from thousands of these chemicals are simply not known.

Infants and children are of special concern when it comes to reducing our exposure to toxic threats. Pound for pound, children breathe more air, drink more water and eat more food than adults.

Also just being kids – putting their hands and toys in their mouths, playing on the ground -- exposes children to toxics in ways that adults aren't.

The Governor's proposed Ecology budget will clean up toxic pollution in critical locations, and keep them clean. It ramps up efforts to reduce toxins that threaten human and environmental health and builds on the 2006 Supplemental Budget initiatives. Specifically, the budget continues to tackle toxic cleanup through traditional remedial action grants and safe soils remediation in schools and day care facilities; identifies and educates businesses and the public on safer alternatives to toxic chemicals; enhances public participation and education efforts; reduces health risks from the most toxic air pollutant: diesel and woodstove emissions; and supports state efforts to clean up Hanford.

TOXIC THREATS BUDGET

OPERATING	GFS	Other	Total
Safer Chemical Alternatives*	-	400	400
Public Participation Grants*	-	1,780	1,780
Hanford Tank Waste Strategy	-	492	492
Hanford Damage Assess Lawsuit	-	328	328
Litter Prevention	-	2,750	2,750
Organic Wastes to Resources	-	1,349	1,349
Biosolids Permit Processing	-	422	422
Ag Pesticide Container Recycle	-	260	260
Underground storage tank re-auth	-	679	679
Urban Waters Cleanup & Protection	-	2,570	2,570
Consolidated Oil Spill Program*	-	410	410
TOTAL OPERATING	-	11,440	11,440
CAPITAL	SBCA	Other	Total
Remedial Action Grant Program	-	84,475	84,475
Coordinated Prevention Grants	-	25,500	25,500
Reduce Health Risk/Toxic Diesel	-	7,170	7,170
Reduce Health Risk /Wood Stoves	-	500	500
Safe Soils Remediation Grants	-	2,000	2,000
Skykomish Cleanup	-	7,000	7,000
Cleanup Waste Tire Piles	-	5,000	5,000
TOTAL CAPITAL	-	131,645	131,645
TOTAL TOXIC THREATS OP. & CAPITAL			143,085

* Indicates portions are also included in Puget Sound Restoration and Protection Initiative



Children are at greater risk to toxic exposure because pound for pound they breathe more air, drink more water and eat more food than adults.



The Governor's budget funds efforts to educate businesses on safer alternatives to toxic chemicals.

Strategic priority:
Environmental mitigation
that works

When a new development project is proposed in Washington, a significant effort is made to identify adverse environmental effects that the proposed project will cause to wetlands – which are nature’s system for absorbing surface water, filtering pollutants, storing flood waters and providing food and shelter for many species of fish and wildlife.

Under law, any harm to a wetland that can’t be avoided must be “mitigated” by appropriately designed environmental restoration or protection projects.

But studies show that required environmental mitigation is only completed 50% of the time. Making matters worse, the process of developing mitigation conditions is expensive, unpredictable, and time-consuming.

The proposed Ecology budget increases our capacity to monitor mitigation projects to make sure the replaced habitat is working after a project is approved.

The Governor’s proposed Ecology budget reflects a new approach that is more predictable for permit applicants, and for the agency. It is done in a way that also effectively restores and preserves high-value environmental resources within a watershed. Specifically, the budget increases environmental compliance, builds capacity for processing wetland mitigation bank proposals, and enhances technical assistance to improve environmental compliance and increase permit predictability largely within Puget Sound counties.

Air Quality Budget

Ecology’s ability to protect public health and meet necessary air quality requirements is limited by budget cutbacks. In recent years, federal funding has been eliminated or severely cut back for the

ENVIRONMENTAL MITIGATION BUDGET

OPERATING	GFS	Other	Total
Environmental Mitigation That Works*	1,927	-	1,927
TOTAL OPERATING	1,927		1,927

* Indicates portions of this are also included in Puget Sound Restoration and Protection



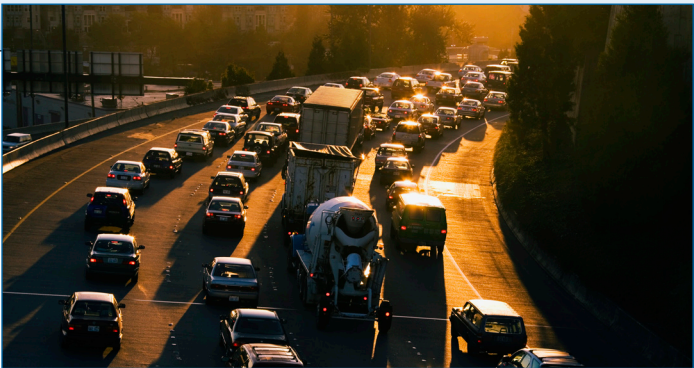
The Snohomish Basin Mitigation Bank is one example of efforts to replace valuable wetlands lost to development projects.

The Governor’s proposed Ecology budget reflects a new approach to effectively restoring and preserving high-value wetlands within a watershed.



AIR QUALITY BUDGET

OPERATING	GFS	Other	Total
Meeting Federal Air Requirements	650	(650)	-
Regional Haze Reduction Program	512	200	712
TOTAL OPERATING			



Automobile exhaust contributes to air quality problems in Washington.

Fine Particle Pollution Program and the Regional Haze Program. Both programs are based in federal law, and require the state to meet specific air pollution targets to remain in compliance with federal mandates. Failure to comply

could result in additional air grant reductions to Washington. The proposed budget funds additional Regional Haze Program work and restores some of the lost federal funding.

Contact information:

Patricia McLain

Chief Financial Officer

360-407-7005 - or- pmcl461@ecy.wa.gov

David Workman

Director, Communication and Education office

360-407-7004 -or- dwor461@ecy.wa.gov

Find more information on Ecology's Web site:

www.ecy.wa.gov

Find more information about Governor Gregoire's budget and policy highlights:

<http://www.ofm.wa.gov/budget/highlights/default.htm>

Ecology's "Legislative Resource Guide:"

<http://www.ecy.wa.gov/priorities.html>

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